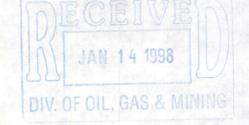


STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291

Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

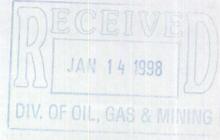
The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I.	General Information			
	1.	Report Time Period: From (mo./yr.) 1/97 To (mo./yr.) 1/98		
	2.	DOGM File Number (Mine No): M /035 /009		
	3.	Mine Name: Barneys Canyon Mine		
	4.	Mineral(s) Mined (or permitted to mine): Gold		
	5.	Type of mine ☐ Surface Mine or ☐ Underground Mine		
	6.	Legal Description (Location of Lands Affected):		
		SW 1/4,1/4,1/4, Section 36 , Township 25 , Range 3W		
		SW 1/4, 1/4, 1/4, Section 2, Township 35, Range 3W		
		SE 1/4,1/4,1/4, Section3 , Township35 , Range _3W		
7.	Nam	e of Operator or Company: Barneys Canyon Mining Co.		
	8.	Permanent Street Address: 8200 So. 9600 West		
		City, State, Zip: <u>Bingham Canyon</u> , <u>Utah 84006-0311</u> Phone: (801) 569-7200		
	9.	Company Representative (or designated operator):		
	,	Name: Dennis Kerstiens		
		Title: General Manager		
		Business Address: P. O. Box 311		
		City, State, Zip: Bingham Canyon, Utah 84006-0311		
		Phone: (801) 569-7200		
		☐ Please check if any of the above information has changed since previous year.		
П.	<u>Minii</u>	ng and Reclamation		
	1.	Was the mine active during the past year? Yes ☑ No □		
	2.	If active, how much ore or mineral was mined? 2.3 m Tons		
	3.	If inactive, what year was the mine last active?		

	3.	How much additional acreage was disturbed during the past year? 112 acres
	4.	Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.
		Total disturbance for the Melco waste dumps was 77 acres, with 69 acres
		into Barneys Canyon drainage (North of Melco) and 8 acres South into the
		Dry Fork drainage. A total of 27 distrubed acres in and around the
		East Barneys Pit. The North Barneys haul road and other miscellaneous areas totaled 8 acres.
5.		How much acreage was reclaimed during the past year? 93 acres
6.		Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
		The 6300 dump was seeded in the Spring, totaling 26 acres. The other
		Barneys dumps, except the East facing slope of the 6400 dump, were
		sloped to a nominal 3:1 grade, topsoiled and seeded.
7.		What is the total disturbed acreage at years end?
8.		Briefly summarize any mining and/or reclamation plans for the upcoming year.
		East Barneys mining area, including haul road access and drainage controls.
NOTE:		Section III., "Additional Information" applies only to large mining operations.
III. <u>Additio</u>	nal i	Information
1.		An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2.		Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.
IV. Signati	<u>ure</u>	Requirement
I h	erel	by certify that the foregoing is true and correct.
		Name (Typed or Print): Dennis M. Kerstiens
		Title of Operator: General Manager
		Signature of Operator: White team
		Date: 1/5/98
jb MR-AR		
MK-AK		

Kennecott Barneys Canyon Mining Company 8200 South 9600 West P. O. Box 311 Bingham Canyon, UT 84006-0311 (801) 569-7200 FAX (801) 569-7190

Dennis M. Kerstiens General Manager



Kennecott Minerals

January 5, 1998

D. Wayne Hedberg
Permit Supervisor
Department of Natural Resources
Division of Oil, Gas and Mining
335 West North Temple
Salt Lake City, UT 84180-1203

Dear Mr. Hedberg:

Attached please find the annual report of mining operations as requested in your letter of December 11, 1997.

It includes Mining operations for the Barneys Canyon Mine for 1997.

If you require further information, please call.

Dennis M. Kerstiens

General Manager

Barneys Canyon Mine

8200 South 9600 West

P.O. Box 311

Bingham Canyon, Utah 84006-0311